## Congress of the United States Washington, DC 20515

February 9, 2022

The Honorable Janet Yellen Secretary U.S. Department of the Treasury 1500 Pennsylvania Avenue, NW Washington, D.C. 20220 The Honorable Adewale O. Adeyemo Deputy Secretary U.S. Department of the Treasury 1500 Pennsylvania Avenue, NW Washington, D.C. 20220

Dear Secretary Yellen and Deputy Secretary Adeyemo,

We write in support of the Michigan State Housing Development Authority's (MSHDA) request to the U.S. Department of the Treasury for an additional \$300 million in Emergency Rental Assistance (ERA).

As you know, in response to the COVID-19 pandemic and the ensuing eviction crisis, Congress created a \$25 billion Emergency Rental Assistance (ERA) program in the Consolidated Appropriations Act of 2021. As millions of Americans continued to struggle to pay rent and utility expenses due to pandemic-induced financial hardship, a second round of ERA funding (ERA2) was included in the American Rescue Plan Act. Combined, an unprecedented \$44.55 billion in rental assistance was appropriated by Congress to states and their local partners.

Under section 501(d) of the Consolidated Appropriations Act of 2021, states can apply for reallocation funds if: 1) their disbursement program has obligated at least 65 percent of its ERA Round 1 (ERA1) funds, and 2) their state demonstrates a need for additional funding. MSHDA's request meets both criteria and if it were to receive supplemental ERA funding, we are confident that these funds would be impactful and distributed rapidly to tenants across the state.

Beginning on March 15, 2021 MSHDA began administering its COVID Emergency Rental Assistance (CERA) Program, in partnership with local nonprofit agencies across the state, to support households who experienced COVID-19-related financial hardship. Since MSHDA began administering the program, more than 188,000 applications for rental assistance have been received. As of February 2, 2022, more than 133,000 Michiganders have received rental or utilities support. However, the need for additional assistance remains. First, MSHDA must process more than 67,000 outstanding applications for CERA payments. MSHDA also believes that enough applications will be received by April 2022 to use all available ERA 1 and ERA 2 funds. Without additional appropriations, they will need to close the application portal.

Further, we hope to emphasize how the State of Michigan's emergency rental assistance program continues to support the most at-risk tenants. MSHDA has reserved 70 percent of CERA funding to target households with incomes less than 50 percent of their area median income (AMI). Thus,

<sup>&</sup>lt;sup>1</sup> MSHDA COVID Emergency Rental Assistance Da shboard

 $<sup>^{2}</sup>$  *Ibid*.

 $<sup>^3</sup>$  *Ibid*.

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an additional allotment of ERA funds to the State of Michigan would primarily support the most resource deprived individuals and families.

We are especially appreciative of the Treasury's diligent and consistent support for ERA programs across the country. MSHDA and their local partners have been working tirelessly since the establishment of ERA financing to support Michiganders harmed by the COVID-19 pandemic. We hope that you consider our support when processing their request.

Sincerely,

ANDY LEVIN

Member of Congress

DANIEL T. KILDEE

Member of Congress

BRENDA L. LAWRENCE

Member of Congress

HALEY STEVENS

Member of Congress

RASHIDA TLAIB Member of Congress

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DEBBIE DINGELL

Member of Congress

ELISSA SLOTKIN

Member of Congress